

At the Regular Meeting of the Greenville County Water and Sewer Authority, held on Tuesday, February 19, 2013, with Regular Session beginning at the conclusion of the Board of Supervisors meeting, in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia

Present: Michael W. Ferguson, Chairman
Dr. Margaret T. Lee, Vice Chairman
James C. Vaughan
Peggy R. Wiley

Chairman Ferguson called the meeting to order.

In Re: Closed Session

Mr. Whittington, Director, stated that Staff recommended the Authority go into Closed Session, Section 2.2-3711 (a) 1) Personnel Matters.

Mrs. Wiley moved, seconded by Dr. Lee, to go into Closed Session, as recommended by Staff. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Regular Session

Mrs. Wiley moved, seconded by Mr. Vaughan, to go into Regular Session. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Certification of Closed Meeting – Resolution #WS-13-24

Mrs. Wiley moved, seconded by Dr. Lee, to adopt the following Resolution. A roll call vote was taken, as follows: Dr. Lee, aye; Mr. Vaughan, aye; Mrs. Wiley, aye and Chairman Ferguson, aye.

RESOLUTION #WS-13-24
CERTIFICATION OF CLOSED MEETING

WHEREAS, the Greenville County Water and Sewer Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Greenville County Water and Sewer Authority that such closed meeting was conducted in conformity with Virginia law:

NOW, THEREFORE, BE IT RESOLVED that the Greenville County Water and Sewer Authority hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Greenville County Water and Sewer Authority.

Chairman Ferguson recessed the meeting until the conclusion of the Board of Supervisors Meeting.

Chairman Ferguson reconvened the meeting.

In Re: Approval of Agenda

Mr. Whittington stated that Staff recommended approval of the Agenda with no added items.

Mrs. Wiley moved, seconded by Dr. Lee, to approve the Agenda as submitted. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

In Re: Approval of the Consent Agenda

Mr. Whittington stated that Staff recommended approval of the Consent Agenda.

Mrs. Wiley moved, seconded by Mr. Vaughan, to approve the Consent Agenda consisting of the following items. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

Approval of Minutes for February 4, 2013

Warrants:

Approval of Accounts Payable for February 19, 2013, in the amount of \$50,279.80

In Re: Matt McClearen with Robinson Farmer Cox

Mr. McClearen stated that he was going to present the results of the Audit for the Water and Sewer Authority with the fiscal year ending September 30, 2012. He stated that briefly before he talked about the results of the audit, there were a few required communications between an auditor and its governing body. He then stated that he was required to report the professional standings to disclose any difficulties encountered in performing the audit, i.e., incomplete records or inability to access certain records and was pleased to report that there was no such record. Mr. McClearen stated that the second item was that he was required to disclose any uncorrected misstatements, audit adjustments that management of the Authority had refused to either close or accept and he was pleased to report that all adjustments were accepted and was included in the financial statement. He also stated that the third item was any disagreements that were found in the Authority's planning accounting principles in which there were no disagreements, and that the fourth item required the firm to disclose their knowledge of any consultations management may have had with another auditor, i.e., opinion shopping, and he was pleased to report that there were none. He stated that the lastly, he was required to report any significant audit findings that may have affected the initial independent auditor's report and that there were no significant audit findings. Mr. McClearen then reviewed the auditor's report findings stating that an unqualified opinion was issued which was the highest level opinion an entity could receive on its audited financial statement. He stated that the statement of net assets/balance sheet, showed assets liability in the amount of approximately \$22.5 million and of that amount, approximately \$3.5 million was unrestricted or considered a liquid form of net assets or equity. He also stated that the statement of revenue expenses and changes in the net assets showed an increase or decrease and that the operating income showed an increase of approximately \$217,000 and that a few non-operating items showed a change of a slight decrease in the amount of \$6,000. He stated that under the statement of cash flows, it reported an increase or decrease in the cash position for the year end in the position of \$1.4 million. He then stated the last report was on internal controls and the federal compliance opinion reported no deficiencies or material weaknesses in the internal control structure of the Authority's financial reporting structure.

Chairman Ferguson asked if there were any questions. There none.

In Re: Water Availability and Supply Agreement

Mr. Whittington stated that the item was being negotiated between the City and the County for the last 12 months or so. He stated that it was an agreement which would entitle the County and the Water and Sewer Authority to utilize up to two million gallons of water per day produced by the City of Emporia in support of the Mid-Atlantic Advanced Manufacturing Center.

Mrs. Wiley moved, seconded by Mr. Vaughan, to approve the Water Availability and Supply Agreement. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

There being no further business to discuss, Dr. Lee moved, seconded by Mr. Vaughan, to adjourn the meeting. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

Michael W. Ferguson, Chairman
Greenville County Water and Sewer Authority